



Insurance & Banking Subcommittee

**Wednesday, January 11, 2017
3:30 pm
Sumner Hall (404 HOB)**

Committee Meeting Notice

HOUSE OF REPRESENTATIVES

Insurance & Banking Subcommittee

Start Date and Time: Wednesday, January 11, 2017 03:30 pm
End Date and Time: Wednesday, January 11, 2017 05:30 pm
Location: Sumner Hall (404 HOB)
Duration: 2.00 hrs

Panel discussion on issues relating to the Assignment of Benefits (AOB) for property insurance claims

NOTICE FINALIZED on 01/04/2017 4:05PM by Kaiser.Debbi



The Florida House of Representatives

Commerce Committee

Insurance & Banking Subcommittee

Richard Corcoran
Speaker

Danny Burgess
Chair

AGENDA

January 11, 2017
404 House Office Building
3:30 PM – 5:30 PM

- I. Prayer and Pledge of Allegiance**
- II. Call to Order & Roll Call**
- III. Panel discussion on issues relating to the Assignment of Benefits (AOB) for property insurance claims**
 - A. David Altmaier, Insurance Commissioner, Office of Insurance Regulation
 - B. Angel Conlin, Vice President and General Counsel, American Strategic Insurance Corporation
 - C. Barry Gilway, President/CEO and Executive Director, Citizens Property Insurance Corporation
 - D. Lee Jacobson, Florida Justice Association
 - E. Sha'Ron James, Insurance Consumer Advocate, Office of Insurance Consumer Advocate
 - F. Foyt Ralston, Florida Association of Restoration Specialists
- IV. Adjournment**

Insurance & Banking Subcommittee
Panel discussion on issues relating to the Assignment of Benefits (AOB) for property insurance claims
January 11, 2017, 3:30 pm – 5:30 pm, 404 HOB

Discussion Topic 1 - Establish minimum standards for valid assignment agreements, which may include:

- Prohibiting execution of an assignment agreement prior to first notice of loss.
- Requiring notice of the assignment be provided to the insurer either within a specified timeframe or as a condition of coverage.
- Authorizing rescission of the assignment agreement without penalty within three days of its execution.
- Requiring enhanced disclosure to the policyholder regarding the legal significance of executing an assignment agreement.
- Limiting the scope of the assignment to work identified in a good faith estimate.
- Requiring the assignee to accept all duties after loss that are applicable to the claim and limiting the scope of rights that a policyholder can assign.
- Establishing a measurable standard of care for the scope and cost of services, e.g., Institute of Inspection Cleaning and Restoration Certification standards, Xactimate or similar estimating tool, or the amount the assignee customarily charges for like services.

Discussion Topic 2 - Establish limitations on assignee recovery from the policyholder, which may include:

- Prohibiting an assignee from attempting to recover from the insured the difference between what an insurance company pays for covered services and what the assignee charges.

Discussion Topic 3 - Establish requirements related to litigation, which may include:

- Requiring the assignee to give notice to the policyholder and the insurer prior to initiating litigation.
- Requiring the assignee to obtain the policyholder's consent to litigation. If the policyholder declines, the assignee is prohibited from collecting one-way attorney's fees.

Discussion Topic 4 - Regulate water and emergency mitigation providers, which may include:

- Requiring either licensure, consistent with the standards applicable to mold remediators, or registration.
- Expanding the criminal offense of aiding in solicitation of legal services (s. 877.02(2), F.S.) to include water and emergency mitigation providers.
- Prohibiting referral fees paid to or by water and emergency mitigation providers. Or, if the providers are not regulated, prohibit licensees who are regulated by the Department of Business and Professional Regulation from directly or indirectly offering or accepting a fee for the referral of water or emergency mitigation services paid for by a property insurance policy.

Discussion Topic 5 - Modify attorney's fees provisions, which may include:

- Prohibiting one-way attorney's fees in litigation brought by third parties who have been assigned benefits under a property insurance policy.
- Creating an offer of judgment procedure for litigation involving an AOB which allocates attorney's fees to the prevailing party (two-way attorney's fees).

Discussion Topic 6 – Consider authorizing insurers to prohibit post-loss assignment of benefits.



FLORIDA HOUSE OF REPRESENTATIVES

Insurance & Banking
Subcommittee



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Chair (R-38)



Rep. Santiago
Vice Chair (R-27)



Rep. Stark
Democratic Ranking Member (D-104)



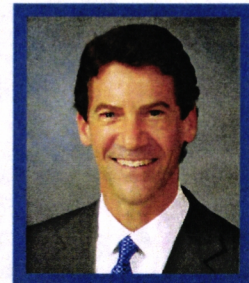
Rep. Beshears
(R-7)



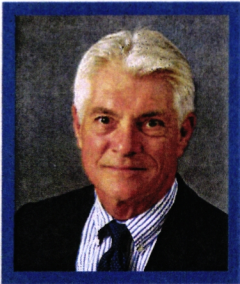
Rep. Clemons
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Rep. DuBose
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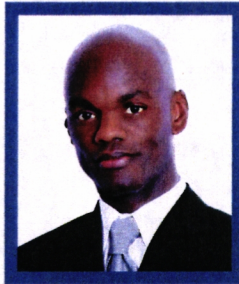
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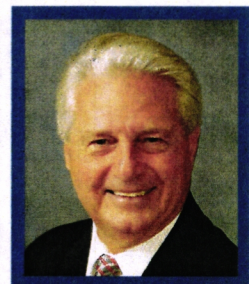
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